Economic Indicators

June sees Edmonton employment go down

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After five months of steady increases, employment in the **Edmonton** Census Metropolitan Area (CMA) fell by approximately 4,000 positions, with the losses entirely made up of part-time positions. Manufacturing saw some employment gains, while construction, trade and educational services saw employment fall.

The unemployment rate in the Edmonton CMA stood unchanged at 7.9% in June 2017 as the number of individuals actively seeking employment also fell. The unemployment rate for Calgary in June 2017 was 8.9%, down from 9.3% seen in May 2017.

Labour Force Survey Results–Edmonton Census Metropolitan Area
Three-month moving average–seasonally adjusted

	June 2016	May 2017	**Jun 2017**	May 2017 to June 2017	Jun 2016 to Jun 2017	May 2017 to Jun 2017	Jun 2016 to Jun 2017
	(000)	(000)	**(000)**	(000)	(000)	%	%
Population (15 years and older)	1120.3	1134.6	**1136.5**	1.9	16.2	0.2	1.4
Labour force	828.9	831.8	**828**	-3.8	-0.9	-0.5	-0.1
Employment	769.8	766.5	**762.5**	-4	-7.3	-0.5	-0.9
Unemployment	59.2	65.3	**65.4**	0.1	6.2	0.2	10.5
Unemployment rate (%)	7.1	7.9	**7.9**	0	0.8	...	...
Participation rate (%)	74	73.3	**72.9**	-0.4	-1.1	...	...
Employment rate (%)	68.7	67.6	**67.1**	-0.5	-1.6	...	...

Source: Statistics Canada

In contrast to the Edmonton region, employment in **Alberta** was up in June, with a modest gain of 7,500 jobs. A sharp increase in part-time employment more than offset a loss of full-time positions across the province. As well, the number of individuals seeking work in Alberta slipped marginally in June. Consequently, Alberta's unemployment rate went from 7.8% in May 2017 to 7.4% in June 2017.

In June, **Canada's** overall employment rose by 45,000 positions. This solid gain was driven largely by part-time employment growth in both the goods-producing and services sides of the economy. However, the number of individuals seeking work in Canada was also up. As a result, the Canadian unemployment rate was essentially unchanged at 6.5% in June 2017.

Significance

While it is now clear that Edmonton's labour market is improving, the region's job losses during 2016 in the goods-producing sector demonstrated that the region was not immune to the impact of low oil prices. Nonetheless, gains in the Edmonton region's full-time employment since January 2017 suggest employers are now more confident about adding to their workforce.

Over the second and third quarters of 2017, employment in Edmonton will continue to grow in the manufacturing, professional services and logistics sectors. However, the unemployment rate is unlikely to move much lower than June's 7.9% value as the local labour force continues to expand and individuals, discouraged by very difficult employment conditions in the second half of 2016, return to the active labour force.

Growth in the working age population, up by 1.4% from June 2016 to June 2017, has been a key factor in addressing labour and skill shortages that began to emerge in Edmonton prior to the downturn in energy prices in 2014. However, with Edmonton's unemployment rate well above the national average, net migration into the region has slowed down, especially when compared to the volumes seen from 2010 to 2014. This factor will slow the growth in the working age population over the remainder of 2017.

Limitations

Since employment trends, particularly in the full-time category, tend to lag behind developments in overall economic activity, they are a better indicator of past, rather than current, conditions in the economy. However, employment trends are useful predictors of future changes in incomes and consumer spending. Statistics Canada publishes a three-month moving average of all labour force values for the Edmonton region, an approach that sometimes results in the number of reported jobs lagging behind developments in the Edmonton region's economy.

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